

Part 3 – Calculation of Nova Scotia tax before credits and the Nova Scotia offshore tax

Nova Scotia tax at the lower rate:

Amount F _____ × $\frac{\text{Number of days in the tax year before January 1, 2011}}{\text{Number of days in the tax year}}$ _____ × 5.0% = _____ 1

Amount F _____ × $\frac{\text{Number of days in the tax year after December 31, 2010, and before January 1, 2012}}{\text{Number of days in the tax year}}$ _____ × 4.5% = _____ 2

Amount F _____ × $\frac{\text{Number of days in the tax year after December 31, 2011}}{\text{Number of days in the tax year}}$ _____ × 4.0% = _____ 3

Nova Scotia tax at the lower rate (total of amounts 1, 2, and 3) _____ ► _____ AA

Nova Scotia tax at the higher rate:

Amount G _____ × 16% = _____ BB

Nova Scotia tax (amount AA plus amount BB) _____ CC

Only one jurisdiction

If the taxable income is allocated only to Nova Scotia or to Nova Scotia offshore, and the corporation is **not** claiming a Nova Scotia tax credit, enter amount CC on line 760 of the T2 return. If the corporation is claiming a credit, enter amount CC on line 215 or 220 of Schedule 5, whichever applies.

Jurisdictions in both Nova Scotia and Nova Scotia offshore

If the corporation has taxable income allocated to both Nova Scotia and its offshore area, calculate the following:

Amount CC _____ × $\frac{\text{Taxable income for Nova Scotia offshore}}{\text{Taxable income for Nova Scotia plus taxable income for Nova Scotia offshore}}$ = _____ DD

Nova Scotia offshore tax – enter amount DD on line 220 of Schedule 5.

Nova Scotia tax before credits (amount CC minus amount DD) _____ EE

Enter amount EE on line 215 of Schedule 5.